

## Exhibit C

### CHDO Predevelopment Loan Program (CPLP) Disbursement Procedures and Documentation Requirements SFY 2010

- 1 **Pre-approval/Approval Process:** The CPLP functions on a pre-approval (prior-notification) basis. The CHDO submits a funding proposal in accordance to the CPLP Application Instruction (Exhibit A). DCA will review the proposal for experience, cost reasonableness, and compliance with DCA guidelines. If the proposal is approved, DCA will issue an approval letter authorizing the CHDO to take the first step in the predevelopment process (e.g. soils report). The following applications must comply with the pre-approval process: Inexperienced CHDOs seeking funds under the HOME Rental Housing Loan Program or the PSHP and all CHDOs seeking funds under the GDSFDP.

Experienced CHDOs seeking HOME funds under the HOME Rental Housing Loan program of Georgia's QAP or under the PSHP may contract these activities directly without DCA prior approval. However, the CHDO must comply with DCA standards displayed in the QAP or the PSHP Program Description and associated manuals.

DCA will not commit to fund any activity that has not passed an initial Environmental Threshold Review. DCA will not fund any activity that does not comply with DCA standards displayed in the QAP, GDSFDP, or the PSHP, as applicable, or any costs beyond what is agreed to in Exhibit B (Sources and Uses of Funds).

- 2 **Predevelopment activities include:**
- Market Study
  - Rent Comparable Study
  - Engineering Fees
  - Legal Fees
  - Title Clearance Expenses
  - Site Control Expenses (Note: DCA generally will not allow more than \$5,000 total, per project toward a site purchase option).
  - Consultant Fees
  - Architectural Fees
  - Physical Needs Assessment
  - Property Survey
  - Soils Report
  - Engineer's Report
  - Environmental Reports
  - Consulting Fees
  - Property Appraisals (for SFDP and/or Rehabilitation Projects Only)

- 3 **Disbursement of Funds:** Program funds will be disbursed for approved activities listed in the CPLP Source and Uses of Funds (Exhibit B). No other activity or change of activities will be funded without written approval from DCA. The Borrower must submit a funding disbursement request which includes the following documentation:

## **Exhibit C**

- Invoices, receipts, purchase orders and/or contracts pertaining to the specific request for disbursement.
- Copy of the CPLP Sources and Uses of Funds (Exhibit B).
- Completed Disbursement Request Form (Exhibit D).
- Completed MBE/WBE Data Collection Form (Exhibit F) before final draw.
- If a request for disbursement includes expenses associated with a contractual agreement between the CHDO and a contractor and/or consultant, DCA will only approve the Disbursement Request when the contract is completed and the activity is accepted by the CHDO.

DCA will review the report/product for completeness and compliance with DCA guidelines and the Agreement. If the report is approved by DCA and the CHDO, DCA will disburse a check for the services.